Implications of WTO on Agriculture Sector

4565. SHRI P.K. MAHESHWARI:
SHRI PREM CHAND GUPTA:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether WTO agreement on agriculture, in its present form, provides little or no gains to the Indian farmers;

(b) whether, on the contrary, it serves to protect the farmers and farming systems in developed countries;

(c) whether some State Governments have called for a detailed study on the implications of WTO on agriculture sector in general and on farmers in particular;

(d) if so, the details thereof; and

(e) the steps taken by Government to protect the interest -of agriculture industry, to educate farmers on the rapid changes taking place the world-over, and to guide them on how to face such changes?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD YESSO NAIK): (a) and (b) WTO provides a predictable rule based multilateral trading system which protects the developing countries from bilateral pressures of the developed trading partners. By virtue of being a member of WTO, India is automatically entitled to get most favoured nation (MFN) and national treatment for its exports. WTO also has strong Dispute Settlement mechanism to resolve any disputes between members. Being a fully democratic organisation, with equal voting rights to each member, India is assured of a say in the multilateral rule making process. However, during the implementation of various agreements under WTO, India and many other developing countries have experienced some implementation related problems due to some imbalances existing in WTO Agreements and due to non-fulfilment of their obligations in letter and spirit by the developed countries. These issues have already been flagged by India in its comprehensive

proposals subemitted in WTO as part of continuing mandated negotiations.

(c) to (e) As mandated under Article 20 of the WTO Agreement on Agriculture, negotiations for further progressive liberalization to establish a fair and market oriented agricultural trading system have begun in the year 2000. Government has held wide ranging consultations with the State Governments, farmers organizations, political parties, vountary organizations, various autonomous organizations, agriculture universities and eminent agro-economist before drawing up India's negotiating proposals in the areas of market access, domestic support, export competition and food security. During these consultations, there was a unanimous view that India in its negotiating proposals must highlight its food security and livelihood concerns while also seeking increased market acess for its agricultural exports especially in the markets of the developed countries. Four regional level conferences were also held to sensitise State Governments and farmers in this regard as well as to seek their inputs for finalizing the India's negotiating proposals for the mandated negotiations in agriculture. The Agricultural and Processed Food Products Export Development Authority, Cashew Export Promotion Council, Spices Board and Export Inspection Council etc. have been engaged in sensitizing exporters about the requirements of international trade in agriculture including the Sanitary and Phyto-Sanitary standards to be met. To protect the Interests of Agriculture industry, Government have also put in place a suitable mechanism for monitoring of the import of sensitive items and are committed to provide adequate protection to the domestic producers by resorting to various WTO compatible measures which include apropriate calibration of applied tariffs within the bound tariffs, anti-dumping and safeguard action and imposition of countervailing duties under certain specified circumstances.